

All Grade & Yield premiums shall be paid to the Producer and calculated at last week's average plant delivered meat price (\$70.54 in this example).

EXAMPLE D:

Examples D is an example when last week's average price is less than the guaranteed minimum price.

Assume last week's average price was \$35.00

Since last week's average price is less than the guaranteed minimum price, the guaranteed minimum price becomes the contract price.

	<u>LIVE MARKET</u>	<u>MEAT PRICE</u>
Last Week's Average Price	\$35.00	\$47.94
Guaranteed Minimum Price	\$38.00	\$52.05
<u>Contract Price</u>	<u>\$38.00</u>	<u>\$52.05</u>

All Grade & Yield premiums shall be paid to the Producer and calculated at last week's average plant delivered meat price (\$47.94 in this example).

Example2.wk1